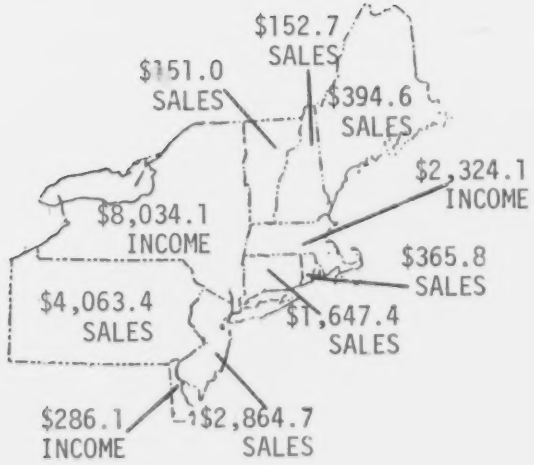
BEST SOURCE OF STATE GOVERNMENT TAX REVENUE IN 1982
EASTERN STATES

(Millions of Dollars)



BEST TAX SOURCE
AS A PERCENT OF
STATE TAX REVENUE

70.42% - CONNECTICUT
54.20% - RHODE ISLAND
53.99% - MAINE
52.04% - NEW YORK
51.36% - NEW JERSEY
49.64% - PENNSYLVANIA
48.38% - MASSACHUSETTS
48.09% - DELAWARE
46.90% - NEW HAMPSHIRE
45.43% - VERMONT

ture in some states.

Vermont increased motor fuel tax revenues from $21.4 million to $25.4 million through a tax rate increase from 9 to 11 cents per gallon effective June 1, 1981. Motor vehicle license fees were increased in July 1981 and generated revenues of $21.3 million in 1981 and $28.0 million in 1982. License fees from insurance agents increased from $395,000 to $825,000 and reflect a 2-year renewal cycle.

Rhode Island's state government tax revenue increased by 11 percent from 1981 to 1982. A new tax on oil companies resulted in revenues of $5.7 million in 1982.

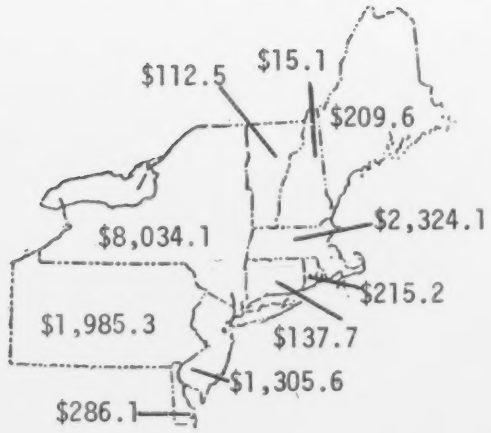
The largest state government tax revenue in 1982 was from the sales and gross receipts tax in the majority of the eastern states. However, three states derived their highest revenues from the individual income tax. In 1982, New York received $8 billion or 52.04 percent of state government tax revenue from individual income taxes. Massachusetts received $2.3 billion or 48.38 percent in individual income taxes. Delaware received $286.1 million or 48.09 percent in individual income taxes.

In 9 of the 10 eastern states, the best tax source generated under 55 percent of state tax revenue in 1982. However, in Connecticut the sales and gross receipts tax generated 70.42 percent of state government tax revenue, making the state very dependent on this one source.

Less than half of state government tax revenue came from the individual income tax in 1982, except in New York, which received 52.04 percent from this source. Seven other states ranged from

STATE GOVERNMENT INDIVIDUAL INCOME TAX REVENUE IN 1982
EASTERN STATES

(Millions of Dollars)



INCOME TAX
AS A PERCENT OF
STATE TAX REVENUE

52.04% - NEW YORK
48.38% - MASSACHUSETTS
48.09% - DELAWARE
33.86% - VERMONT
31.88% - RHODE ISLAND
28.67% - MAINE
24.25% - PENNSYLVANIA
23.41% - NEW JERSEY
5.89% - CONNECTICUT
4.63% - NEW HAMPSHIRE

TABLE 2. STATE GOVERNMENT TAX REVENUE BY TYPE OF TAX IN 1982
EASTERN STATES
(Thousands of Dollars)

States	Total	Sales and Gross Receipts	Licenses	Individual Income	Corporation Net Income	Property	Death and Gift	Severance	Documentary and Stock Transfer	Other
Connecticut	2,339,524	1,647,425	125,348	137,726	349,283	12	79,206	NA	NA	524
Delaware	594,817	86,910	166,882	286,069	36,138	NA	8,234	NA	10,583	1
Maine	730,979	394,640	58,118	209,585	36,090	14,483	17,074	NA	989	NA
Massachusetts	4,803,664	1,606,587	162,476	2,324,052	598,283	419	99,355	NA	12,492	NA
New Hampshire	325,515	152,676	55,852	15,076	79,808	7,415	9,479	45	5,164	NA
New Jersey	5,577,236	2,864,703	479,955	1,305,567	724,869	58,643	126,763	NA	16,736	NA
New York	15,438,003	5,232,121	533,706	8,034,066	1,342,051	NA	145,976	NA	150,083	NA
Pennsylvania	8,185,625	4,063,385	870,115	1,985,270	869,714	110,306	218,419	NA	68,416	NA
Rhode Island	674,792	365,753	23,825	215,156	52,524	7,262	9,069	NA	1,203	NA
Vermont	332,308	150,973	38,601	112,520	24,954	426	1,441	NA	2,893	500

NA - Not applicable.

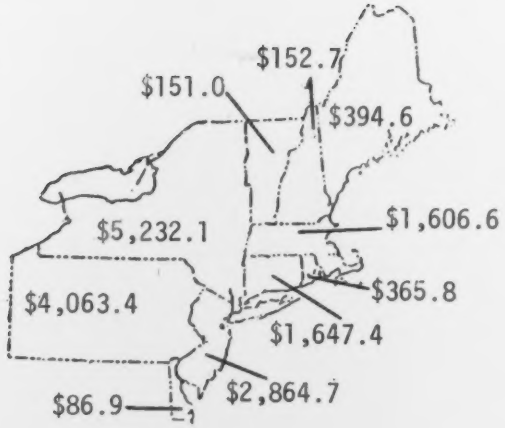
TABLE 3. PERCENT OF STATE GOVERNMENT TAX REVENUE BY TYPE OF TAX IN 1982
EASTERN STATES

States	Sales and Gross Receipts	Licenses	Individual Income	Corporation Net Income	Property	Death and Gift	Severance	Documentary and Stock Transfer	Other
Connecticut	70.42%	5.36%	5.89%	14.93%	*	3.39%	NA	NA	.02%
Delaware	14.61%	28.06%	48.09%	6.08%	NA	1.38%	NA	1.78%	*
Maine	53.99%	7.95%	28.67%	4.94%	1.98%	2.34%	NA	.14%	NA
Massachusetts	33.45%	3.38%	48.38%	12.45%	.01%	2.07%	NA	.26%	NA
New Hampshire	46.90%	17.16%	4.63%	24.52%	2.28%	2.91%	.01%	1.59%	NA
New Jersey	51.36%	8.61%	23.41%	13.00%	1.05%	2.27%	NA	.30%	NA
New York	33.89%	3.46%	52.04%	8.69%	NA	.95%	NA	.97%	NA
Pennsylvania	49.64%	10.63%	24.25%	10.62%	1.35%	2.67%	NA	.84%	NA
Rhode Island	54.20%	3.53%	31.88%	7.78%	1.08%	1.34%	NA	.18%	NA
Vermont	45.43%	11.62%	33.86%	7.51%	.13%	.43%	NA	.87%	.15%

NA - Not applicable.
* - Less than .01 percent.

STATE GOVERNMENT SALES TAX REVENUE IN 1982
EASTERN STATES

(Millions of Dollars)



SALES TAX
AS A PERCENT OF
STATE TAX REVENUE

70.42% - CONNECTICUT
54.20% - RHODE ISLAND
53.99% - MAINE
51.36% - NEW JERSEY
49.64% - PENNSYLVANIA
46.90% - NEW HAMPSHIRE
45.43% - VERMONT
33.89% - NEW YORK
33.45% - MASSACHUSETTS
14.61% - DELAWARE

23 percent to 49 percent. New Hampshire collected 4.63 percent of state government tax revenue from the individual income tax. Connecticut was the second lowest with 5.89 percent of state government tax revenue from the individual income tax.

All of the eastern states collected sales taxes on motor fuels, alcoholic beverages, tobacco products, insurance, and public utilities in 1982, except Massachusetts, where there was no public utility revenue. Of these selected taxes, six of the states derived their highest revenue from motor fuel taxes. The other four derived their highest revenue from public utility taxes. Connecticut received $214.9 million in public utility taxes. New Jersey received $715.2 million and New York had $731.2 million from this source. Rhode Island collected $53.9 million from public utility sales taxes.

In 1982, license tax revenue came from motor vehicles, motor vehicle operators, corporations in general, alcoholic beverages, and hunting and fishing. Half of the states --Connecticut, Maine, Massachusetts, Rhode Island, and Vermont-- did not collect public utility license taxes. The largest license tax revenue source was motor vehicles, except in Delaware and Pennsylvania. License tax revenues generated between 3 to 29 percent of state government tax revenue. Delaware collected 28.06 percent in license tax revenues; corporations generated the highest amount. In 1982, Massachusetts collected the lowest percentage of 3.38 from license taxes while Rhode Island collected the lowest dollar amount of $23.8 million.

Corporation net income tax revenues were a small part of the total in 1982, accounting for 4 to 15 percent of state tax revenues,

TABLE 4. SELECTED STATE GOVERNMENT SALES AND GROSS RECEIPTS TAXES IN 1982
EASTERN STATES
(Thousands of Dollars)

States	General Sales	Motor Fuels	Alcoholic Beverages	Tobacco Products	Insurance	Public Utilities
Connecticut	1,004,164	149,176	25,827	74,411	72,398	214,928
Delaware	NA	34,554	5,036	12,628	13,405	18,551
Maine	248,943	49,579	30,194	24,661	14,824	24,822
Massachusetts	917,362	269,297	85,059	145,357	122,218	NA
New Hampshire	NA	59,855	5,350	26,245	15,523	671
New Jersey	1,379,206	287,756	59,116	177,445	113,405	715,212
New York	3,196,779	443,825	147,000	339,733	197,608	731,212
Pennsylvania	2,229,436	573,298	142,157	254,922	179,770	501,536
Rhode Island	199,809	48,659	7,418	26,510	15,759	53,917
Vermont	48,440	25,385	14,450	9,986	6,964	12,855

NA - Not applicable.

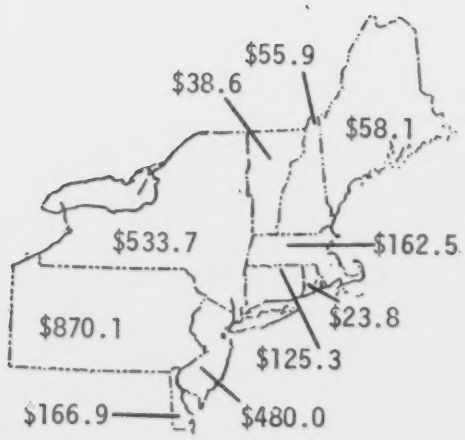
TABLE 5. SELECTED STATE GOVERNMENT LICENSE TAX REVENUE IN 1982
EASTERN STATES
(Thousands of Dollars)

States	Motor Vehicle	Motor Vehicle Operators	Corporations in General	Public Utilities	Alcoholic Beverages	Hunting and Fishing
Connecticut	77,984	13,175	4,750	NA	6,165	1,479
Delaware	23,812	876	76,591	3,156	459	463
Maine	31,691	4,558	832	NA	1,432	6,560
Massachusetts	94,674	24,422	8,985	NA	770	3,363
New Hampshire	28,964	3,869	2,278	1,632	2,290	2,930
New Jersey	252,507	21,963	144,409	101	3,193	4,349
New York	317,394	16,886	10,831	56,956	33,388	13,466
Pennsylvania	348,576	57,004	350,397	5,189	11,142	26,910
Rhode Island	17,868	*	1,915	NA	145	400
Vermont	27,984	1,500	211	NA	466	3,592

NA - Not applicable.
* - Included with motor vehicle license.

STATE GOVERNMENT LICENSE TAX REVENUE IN 1982
EASTERN STATES

(Millions of Dollars)

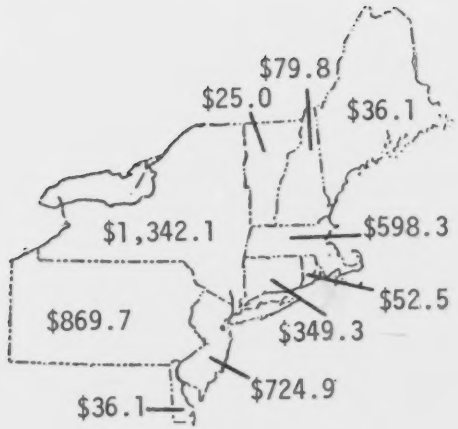


LICENSE TAX
AS A PERCENT OF
STATE TAX REVENUE

28.06% - DELAWARE
17.16% - NEW HAMPSHIRE
11.62% - VERMONT
10.63% - PENNSYLVANIA
8.61% - NEW JERSEY
7.95% - MAINE
5.36% - CONNECTICUT
3.53% - RHODE ISLAND
3.46% - NEW YORK
3.38% - MASSACHUSETTS

STATE GOVERNMENT CORPORATION NET INCOME TAX REVENUE IN 1982
EASTERN STATES

(Millions of Dollars)



CORPORATION NET TAX
AS A PERCENT OF
STATE TAX REVENUE

24.52% - NEW HAMPSHIRE
14.93% - CONNECTICUT
13.00% - NEW JERSEY
12.45% - MASSACHUSETTS
10.62% - PENNSYLVANIA
8.69% - NEW YORK
7.78% - RHODE ISLAND
7.51% - VERMONT
6.08% - DELAWARE
4.94% - MAINE

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except in New Hampshire, where corporation net income taxes generated 24.52 percent of state tax revenue. Connecticut had the second highest percentage of 14.93 percent while Maine had the lowest percentage of 4.94 percent.

State and Local Tax Collections in 1981

Responsibility for taxation and expenditure is divided differently between state and local governments in different eastern states. Revenue collection at the state level is between 44 to 77 percent. New Hampshire made the lowest state collections of 44.81 percent while Delaware had the highest state collections of 76.82 percent.

States	1981 General Revenue in Million $			State %
	Local	State	Total	of Total
Connecticut	1,971.7	2,618.6	4,590.3	57.05
Delaware	229.6	761.1	990.7	76.82
Maine	486.9	842.1	1,328.9	63.37
Massachusetts	4,132.3	5,151.0	9,283.3	55.49
New Hampshire	544.3	442.0	986.3	44.81
New Jersey	5,221.4	6,246.9	11,468.4	54.47
New York	19,418.7	16,027.3	35,446.0	45.22
Pennsylvania	6,723.1	8,861.3	15,584.4	56.86
Rhode Island	480.8	910.7	1,391.6	65.44
Vermont	248.6	425.3	673.9	63.11

General sales taxes were collected locally only in New York. All the other states collecting general sales taxes in 1981 did so at the state level. Delaware and New Hampshire did not collect general sales taxes in 1981. Property taxes were collected primarily at the local level. Only New Jersey and Pennsylvania had large state revenues. Connecticut, Delaware, and New York did not make any collections at the state level for property taxes. Income

TABLE 6. REVENUE OF STATE AND LOCAL GOVERNMENTS IN 1981
EASTERN STATES
(Millions of Dollars)

States	General Sales Taxes		Property Taxes		Income Taxes	
	Local	State	Local	State	Local	State
Connecticut	...	916.7	1,632.1	...	...	366.5
Delaware	...	...	102.2	...	10.9	294.8
Maine	...	235.7	385.9	14.6	...	215.8
Massachusetts	...	859.7	3,370.0	.5	...	2,594.0
New Hampshire	...	...	455.4	8.1	...	70.0
New Jersey	...	1,263.7	3,932.3	67.6	...	1,722.8
New York	2,449.2	2,965.3	9,266.7	...	2,026.1	8,137.3
Pennsylvania	...	2,086.2	3,046.5	98.9	1,070.0	2,706.7
Rhode Island	...	177.5	422.8	6.3	...	243.3
Vermont	...	44.8	209.3	.3	...	121.5

TABLE 7. STATE GOVERNMENT GENERAL REVENUE BY SOURCE IN 1981
EASTERN STATES
(Thousands of Dollars)

States	Total Dollars	Federal Revenue Dollars	%	Local Govt. Dollars	%	State Taxes Dollars	%	Charges & Misc. Dollars	%
Connecticut	3,449,461	826,598	24.0	4,313	0.1	2,071,885	60.1	546.665	15.8
Delaware	997,952	233,863	23.4	3,017	0.3	550,943	55.2	210,129	21.1
Maine	1,303,116	441,829	33.9	19,227	1.5	674,316	51.7	167,744	12.9
Massachusetts	7,251,518	1,888,109	26.0	212,367	2.9	4,335,648	59.8	815,394	11.2
New Hampshire	710,591	252,038	35.5	16,566	2.3	268,752	37.8	173,235	24.4
New Jersey	8,163,405	1,811,599	22.2	104,886	1.3	5,029,356	61.6	1,217,564	14.9
New York	23,538,972	6,667,345	28.3	844,328	3.6	13,918,245	59.1	2,109,054	9.0
Pennsylvania	12,002,736	3,063,824	25.5	77,594	0.6	7,597,010	63.3	1,264,308	10.5
Rhode Island	1,301,649	385,816	29.6	5,090	0.4	607,951	46.7	302,792	23.3
Vermont	687,581	259,095	37.7	3,226	0.5	294,243	42.8	131,017	19.1

taxes were collected at the state level in all the eastern states. Delaware, New York, and Pennsylvania also made income tax collections at the local level.

From 22 to 38 percent of state government general revenue is from federal funds. In 1981, New Jersey received 22.2 percent or $1.8 billion in federal funds while Vermont received 37.7 percent or $259 million in federal funds.

Local government contributions to state general revenue were under 3 percent, except in New York, which received 3.6 percent from local governments.

State taxes generated between 37 to 64 percent of state government general revenue. Pennsylvania received 63.3 percent or $7.6 billion from state taxes. New Hampshire received the lowest percentage of 37.8 percent and the lowest dollar amount of $268.8 million from state taxes in 1981.

The remaining 9 to 25 percent of state government general revenue is from charges and miscellaneous.

Revenues and Expenditures in 1981

Delaware's per capita collection of $1,280 in 1981 in state government revenue was the highest among the eastern states. Of this, $440 was paid in individual income taxes, $353 was for charges and miscellaneous, $133 was sales and gross receipts taxes, $55 was corporation net income taxes, and $14 was death and gift taxes. At the state level only, Delaware received $89.26 in taxes and $37.89 from the federal government per $1,000 of personal income earned in the state.

TABLE 8. PER CAPITA AMOUNTS OF FINANCIAL ITEMS FOR STATE GOVERNMENTS IN 1981
EASTERN STATES

States	General Revenue Own Source	Sales and Gross Receipts		Individual Income		Corporation Net Income		Motor Vehicle Taxes		Property		Death and Gift		Charges and Misc.	
	$	$	%	$	%	$	%	$	%	$	%	$	%	$	%
Connecticut	842	486	58%	37	4%	80	10%	26	3%	*	**	21	2%	175	21%
Delaware	1,280	133	10%	440	34%	55	4%	39	3%	...	...	14	1%	353	28%
Maine	748	330	44%	156	21%	34	5%	28	4%	12	2%	12	2%	149	20%
Massachusetts	897	262	29%	358	40%	93	10%	14	2%	*	**	14	2%	142	16%
New Hampshire	480	145	30%	13	3%	62	13%	24	5%	8	2%	11	2%	188	39%
New Jersey	848	348	41%	155	18%	78	9%	34	4%	9	1%	16	2%	165	19%
New York	912	274	30%	376	41%	86	9%	17	2%	...	...	8	1%	120	13%
Pennsylvania	746	309	41%	158	21%	69	9%	26	3%	8	1%	16	2%	106	14%
Rhode Island	961	331	34%	203	21%	53	6%	19	2%	6	1%	17	2%	319	33%
Vermont	831	268	32%	192	23%	44	5%	41	5%	*	**	3	**	256	31%
United States	829	322	39%	181	22%	62	7%	23	3%	13	2%	9	1%	166	20%

Note: Total includes items not listed separately.
* - Less than one dollar.
** - Less than one percent.

TABLE 9. STATE GENERAL REVENUE PER $1,000 OF PERSONAL INCOME IN 1981
EASTERN STATES

States	Grand Total*	Revenue from Federal Government	Total Taxes*	Sales or Gross Receipts Taxes	Individual Income Taxes	Charges and Miscellaneous
Connecticut	$94.48	$22.64	$56.75	$25.11	$3.23	$14.97
Delaware	$161.69	$37.89	$89.26	...	$42.44	$34.05
Maine	$145.76	$49.42	$75.43	$26.36	$19.75	$18.76
Massachusetts	$124.53	$32.42	$74.45	$14.76	$35.34	$14.00
New Hampshire	$84.30	$29.90	$31.88	...	$1.50	$20.55
New Jersey	$101.13	$22.44	$62.30	$15.65	$14.22	$15.08
New York	$130.30	$36.91	$77.05	$16.42	$36.60	$11.68
Pennsylvania	$106.96	$27.30	$67.70	$18.59	$16.80	$11.27
Rhode Island	$145.03	$42.99	$67.74	$19.78	$21.50	$33.74
Vermont	$171.34	$64.56	$73.32	$11.15	$24.56	$32.65
50-State Average	$119.78	$31.49	$69.48	$21.53	$18.97	$17.46

* - Includes amounts for categories not shown separately.

TABLE 10. STATE GENERAL EXPENDITURE PER $1,000 OF PERSONAL INCOME IN 1981
EASTERN STATES

States	Grand Total*	Total Education*	Intergovernmental Education	State Institutions of Higher Education	Public Welfare	Highways
Connecticut	$89.68	$25.50	$13.40	$8.53	$19.21	$7.20
Delaware	$151.14	$59.71	$27.56	$25.95	$17.05	$15.52
Maine	$135.99	$44.83	$26.95	$14.63	$34.52	$14.63
Massachusetts	$124.65	$30.42	$19.96	$7.94	$35.75	$7.86
New Hampshire	$92.80	$25.35	$8.88	$14.74	$17.57	$14.51
New Jersey	$104.74	$31.26	$18.92	$7.82	$21.04	$5.32
New York	$128.76	$39.70	$26.81	$6.85	$32.92	$7.48
Pennsylvania	$100.35	$33.99	$21.98	$6.93	$26.76	$9.81
Rhode Island	$144.88	$42.29	$17.25	$16.72	$37.05	$7.18
Vermont	$158.74	$54.07	$18.34	$28.80	$29.26	$15.51
50-State Average	$117.69	$44.97	$26.57	$14.61	$23.88	$11.80

* - Includes amounts for categories not shown separately.

Delaware's state general expenditure per $1,000 of personal income was $151.14, of which $59.71 was for education, $17.05 for public welfare, and $15.52 for highways.

A New Hampshire resident paid $480, the lowest per capita payment for state government tax collections in 1981. Of this, $188 was for charges and miscellaneous, $145 was sales and gross receipts taxes, $62 was corporation net income taxes, $24 was motor vehicle taxes, $13 was individual income taxes, $11 was death and gift taxes, and $8 was property taxes. At the state level only, New Hampshire received $31.88 in taxes and $29.90 from the federal government per $1,000 of personal income earned in the state.

New Hampshire's state general expenditure per $1,000 of personal income was $92.80, of which $25.35 was for education, $17.57 for public welfare, and $14.51 for highways.

From 1980 to 1981, total general revenue in the states including federal funds, increased. The lowest percentage change was an increase of 5.7 percent in New Hampshire. The highest percentage increase was 14.2 percent in New Jersey. The change in federal funds ranged from a .9 percent decrease in Massachusetts to a 13.9 percent increase in Delaware. Own source general revenue increased by 5.2 percent in Pennsylvania and by 18.1 percent in New Jersey. In all of the eastern states, tax revenues from sales and gross receipts, individual income taxes, and miscellaneous charges increased from 1980 to 1981. Increases in individual income tax revenues ranged from 10.6 percent in Massachusetts to 25.4 percent in Rhode Island. Corporation net income tax

TABLE 11. PERCENT CHANGE IN FINANCIAL ITEMS FOR STATE GOVERNMENTS FROM 1980 TO 1981
EASTERN STATES

States	Total General Revenue	Federal Funds	Own Source General Revenue	Sales and Gross Receipts	Individual Income	Corporation Net Income	Motor Vehicle Licenses	Charges and Misc.
Connecticut	10.9%	2.8%	14.1%	13.9%	16.7%	1.0%	17.6%	20.1%
Delaware	11.8%	13.9%	11.0%	7.1%	11.1%	-18.8%	1.4%	23.5%
Maine	10.6%	10.0%	9.8%	7.0%	23.8%	-13.1%	-6.3%	13.5%
Massachusetts	7.5%	-0.9%	10.7%	11.8%	10.6%	0.7%	46.5%	12.6%
New Hampshire	5.7%	4.7%	6.2%	0.6%	20.5%	-8.7%	3.6%	16.4%
New Jersey	14.2%	2.5%	18.1%	22.6%	14.2%	15.6%	-0.3%	18.8%
New York	6.7%	1.4%	9.2%	4.5%	14.4%	23.4%	-0.9%	7.6%
Pennsylvania	6.4%	10.4%	5.2%	4.4%	12.7%	-4.6%	14.0%	7.0%
Rhode Island	9.7%	8.8%	10.0%	5.5%	25.4%	-6.1%	1.3%	9.3%
Vermont	9.1%	7.0%	10.5%	7.4%	18.5%	2.2%	5.6%	10.4%
United States	10.5%	9.7%	10.7%	7.2%	13.3%	6.2%	6.7%	16.9%

revenues declined in Delaware, Maine, New Hampshire, Pennsylvania, and Rhode Island.

Five Year Trends from 1977 through 1981

Tax revenues of state and local government increased from 1977 through 1981 when measured by total tax collections per capita. The United States average increased by 32.71 percent from $813 in 1977 to $1,079 in 1981. Maine had the highest percentage change of 43.47 percent, an increase from $658 to $944. Vermont had the lowest percentage change of 21.85 percent, an increase from $810 to $987. New Hampshire had the lowest per capita tax collection in both 1977 and 1981. New York had the highest per capita tax collection in both 1977 and 1981. In 1981, New Hampshire collected $794 per capita in total state and local tax collections and New York collected $1,629 per capita.

General sales tax revenues, income tax revenues, and property tax revenues increased from 1977 through 1981. During this period, Rhode Island had the lowest sales tax revenue increase of 25.18 percent while Massachusetts had the highest sales tax revenue increase of 94.55 percent. Amounts collected in 1981 ranged from a low of $44.8 million in Vermont to a high of $5.4 billion in New York.

Increases in income tax revenues from 1977 through 1981 ranged from 39.33 percent in Vermont to 95.47 percent in Maine. In dollars, New Hampshire collected the lowest of $70 million while New York collected the highest of $10.2 billion.

Property taxes increased by 55.17 percent in Maine from 1977 through 1981 although total property taxes of $400.5 million in

TABLE 12. TOTAL STATE AND LOCAL TAX COLLECTIONS PER CAPITA
EASTERN STATES

States	1977	1978	1979	1980	1981
Connecticut	$885	$940	$1,012	$1,070	$1,198
Delaware	$829	$943	$1,035	$1,058	$1,125
Maine	$658	$757	$798	$858	$944
Massachusetts	$1,001	$1,098	$1,176	$1,243	$1,347
New Hampshire	$618	$669	$722	$739	$794
New Jersey	$931	$993	$1,067	$1,137	$1,228
New York	$1,252	$1,308	$1,369	$1,494	$1,629
Pennsylvania	$770	$861	$921	$978	$1,033
Rhode Island	$792	$848	$975	$992	$1,092
Vermont	$810	$836	$904	$900	$987
United States Average	$813	$888	$933	$986	$1,079

TABLE 13. GENERAL SALES TAX REVENUES OF STATE AND LOCAL GOVERNMENT
EASTERN STATES
(Millions of Dollars)

States	1977	1978	1979	1980	1981
Connecticut	583.5	645.3	736.1	803.0	916.7
Delaware	...	...	...	...	...
Maine	169.7	186.0	197.8	214.1	235.7
Massachusetts	441.9	520.7	718.3	746.0	859.7
New Hampshire	...	...	...	...	...
New Jersey	913.1	1,003.5	1,098.1	1,180.3	1,263.7
New York	3,918.3	4,306.6	4,529.6	5,113.5	5,414.5
Pennsylvania	1,524.5	1,753.2	1,895.5	1,995.8	2,086.2
Rhode Island	141.8	140.6	158.2	169.1	177.5
Vermont	32.5	32.8	38.3	40.8	44.8

TABLE 14. INCOME TAX REVENUES OF STATE AND LOCAL GOVERNMENT
EASTERN STATES
(Millions of Dollars)

States	1977	1978	1979	1980	1981
Connecticut	261.1	275.2	314.6	347.1	366.5
Delaware	206.7	242.3	276.2	286.8	305.8
Maine	110.4	137.5	153.8	187.8	215.8
Massachusetts	1,588.8	1,837.9	2,114.7	2,392.4	2,594.0
New Hampshire	39.6	61.5	73.2	73.3	70.0
New Jersey	1,042.4	1,176.7	1,298.0	1,502.0	1,722.8
New York	7,158.5	7,241.9	7,687.0	8,716.4	10,163.4
Pennsylvania	2,601.4	2,946.1	3,270.4	3,518.5	3,776.8
Rhode Island	144.6	155.6	209.4	207.5	243.3
Vermont	87.2	85.2	107.2	105.6	121.5

TABLE 15. PROPERTY TAX REVENUES OF STATE AND LOCAL GOVERNMENT
EASTERN STATES
(Millions of Dollars)

States	1977	1978	1979	1980	1981
Connecticut	1,282.1	1,351.5	1,421.7	1,470.5	1,632.1
Delaware	78.0	85.0	96.3	99.6	102.2
Maine	258.1	316.0	331.7	359.4	400.5
Massachusetts	2,841.5	3,013.7	3,149.7	3,183.5	3,370.5
New Hampshire	324.7	342.9	377.5	415.0	463.4
New Jersey	3,430.8	3,493.9	3,709.9	3,672.6	3,999.9
New York	8,033.8	8,364.6	8,504.4	8,791.1	9,266.7
Pennsylvania	2,370.3	2,615.9	2,695.4	2,957.9	3,145.5
Rhode Island	305.4	337.3	370.4	391.5	429.0
Vermont	159.7	172.1	177.7	192.5	209.6

TABLE 16. TOTAL STATE AND LOCAL TAX COLLECTIONS PER $1,000 OF PERSONAL INCOME
EASTERN STATES

States	1977	1978	1979	1980	1981
Connecticut	$119.97	$116.38	$114.28	$105.49	$101.97
Delaware	$117.96	$122.82	$121.27	$116.05	$108.41
Maine	$124.38	$132.89	$127.52	$125.04	$118.86
Massachusetts	$151.36	$151.09	$148.34	$139.04	$132.78
New Hampshire	$106.23	$105.12	$99.95	$92.01	$86.79
New Jersey	$126.06	$124.19	$121.76	$117.22	$112.12
New York	$176.83	$171.88	$165.60	$163.36	$158.42
Pennsylvania	$118.80	$122.54	$118.86	$115.60	$109.23
Rhode Island	$126.37	$125.24	$129.71	$118.88	$115.28
Vermont	$151.84	$144.80	$139.52	$127.29	$125.85
United States	$128.05	$127.53	$120.29	$115.74	$113.05

1981 in Maine were ranked eighth in the eastern region. New York collected the highest amount of $9.3 billion dollars in 1981 but showed the lowest percentage change from 1977 through 1981 of 15.35 percent.

Total state and local tax collections per $1,000 of personal income declined in the United States by 11.71 percent from an average of $128.05 in 1977 to $113.05 in 1981. New York had the highest collections of $176.83 in 1977 and $158.42 in 1981. New Hampshire collected $106.23 in 1977 and $86.79 in 1981 --the lowest collections in both years. From 1977 through 1981, the lowest decrease of 4.44 percent was in Maine while the largest decrease of 17.12 percent was in Vermont.

While general sales taxes and income taxes showed the greatest percent change from 1977 through 1981 when combined state and local revenues are considered, property taxes were the best revenue source except in Delaware, New York, and Pennsylvania. In these three states, income taxes generated the highest revenues in 1981.

	Property Taxes		General Sales Taxes		Income Taxes	
States	1981 $ in Millions	% Change 1977/81	1981 $ in Millions	% Change 1977/81	1981 $ in Millions	% Change 1977/81
Connecticut	1,632.1	27.30	916.7	57.10	366.5	40.37
Delaware	102.2	31.03	...	...	305.8	47.94
Maine	400.5	55.17	235.7	38.89	215.8	95.47
Massachusetts	3,370.5	18.62	859.7	94.55	2,594.0	63.27
New Hampshire	463.4	42.72	...	...	70.0	76.77
New Jersey	3,999.9	16.59	1,263.7	38.40	1,722.8	65.27
New York	9,266.7	15.35	5,414.5	38.18	10,163.4	41.98
Pennsylvania	3,145.5	32.70	2,086.2	36.84	3,776.8	45.18
Rhode Island	429.0	40.47	177.5	25.18	243.3	68.26
Vermont	209.6	31.25	44.8	37.85	121.5	39.33

TABLE 17. TOTAL GENERAL REVENUE INCLUDING FEDERAL FUNDS
EASTERN STATES
(Millions of Dollars)

States	1977	1978	1979	1980	1981
Connecticut	3,975.9	4,324.3	4,715.5	5,044.7	5,588.1
Delaware	854.9	989.2	1,078.0	1,167.6	1,302.9
Maine	1,274.2	1,433.3	1,538.1	1,680.1	1,845.7
Massachusetts	8,672.5	9,680.7	10,570.5	11,201.4	11,952.2
New Hampshire	881.3	986.7	1,103.4	1,220.9	1,306.3
New Jersey	10,177.3	10,811.4	11,753.8	12,686.5	13,790.9
New York	34,119.9	35,174.4	37,487.9	40,820.3	43,944.0
Pennsylvania	13,978.8	15,625.3	16,834.0	18,296.1	19,716.9
Rhode Island	1,254.0	1,347.0	1,523.0	1,696.4	1,855.6
Vermont	689.2	754.0	791.1	885.0	966.8
United States	285,796.5	315,960.0	343,278.4	382,321.6	423,403.7

TABLE 18. TOTAL GENERAL REVENUE FROM OWN SOURCES
EASTERN STATES
(Millions of Dollars)

States	1977	1978	1979	1980	1981
Connecticut	3,265.7	3,471.8	3,781.3	4,068.6	4,590.3
Delaware	655.0	742.4	819.5	888.4	990.7
Maine	875.1	1,022.9	1,089.4	1,194.2	1,328.9
Massachusetts	6,775.4	7,369.4	7,989.5	8,480.5	9,283.3
New Hampshire	678.9	739.9	837.7	909.3	986.3
New Jersey	8,219.8	8,779.8	9,607.0	10,407.5	11,468.4
New York	27,604.8	28,088.9	29,393.0	32,350.3	35,446.0
Pennsylvania	10,833.2	12,186.7	13,369.5	14,615.6	15,584.4
Rhode Island	918.6	988.3	1,136.0	1,265.1	1,391.6
Vermont	486.3	514.7	568.8	609.6	673.9
United States	223,221.3	246,367.6	268,114.6	299,293.0	333,109.3

Conclusion

While revenues have increased from 1977 through 1982, the increases have not kept pace with inflation and the greater need for social services brought about by the recession. Deciding on the balance between increases in taxation and decreases in expenditures for education, public welfare, and highways is difficult.

In 1981, the highest state and local revenues were derived from property taxes, except in Delaware, New York, and Pennsylvania, where the income tax generated the highest revenues.

In 1982, at the state level only, the highest revenues came from sales taxes, except in Delaware, New York, and Pennsylvania, where the income tax led.

Four states --Connecticut, New Hampshire, Rhode Island, and Vermont-- had increases in state government tax revenue from 1981 to 1982 which ranged from 11 percent to 21.1 percent. New Hampshire had the largest increase: alcoholic beverage license tax revenues doubled, the motor fuel tax was increased, and a surtax was imposed on corporation net income. In Connecticut, a change in the collection cycle for public utility taxes and corporation net income taxes generated higher revenues; a new unincorporated business tax raised $18.6 million. Vermont increased motor fuel taxes and motor vehicle license fees; license fees from insurance agents were higher due to a 2-year renewal cycle. Rhode Island received $5.7 million in 1982 from a new tax on oil companies.

Dependency on sales taxes as a major revenue source has meant increases in tax rates on sales and gross receipts, cigarettes, and motor fuels. As long as consumer spending does not decline,

these increases will generate higher revenues.

Adding to the complexity of the problem is the need to estimate federal funding, which may be a quarter of state revenue. In addition, in most of the states, about half of the general revenue is collected and spent at the local level.

Changes in collection policies and improved cash management have provided some relief in conjunction with raising taxes, cutting budgets, and reducing the size of the state work force.

• This report was prepared by Cheryl Peck, a research associate with The Council of State Governments.

★★★

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FOREWORD

The Council of State Governments is pleased to issue a report on state revenues as part of its Comparative Data Report series. This series is designed to deliver information to legislators and other government officials in a timely and succinct manner in order to enhance the decision making process at the state level.

The data contained in this report includes the most recent information available on tax revenues and rates, state and local tax collections, state revenues and expenditures, and the five-year trend in state and local revenues for the period 1977 through 1981. It is presented in both a narrative and tabular format with special regional maps which graphically illustrate the information.

This document was prepared by the staff of the Council's Finance and Taxation Program with the cooperation and assistance of state and federal agencies. The role of the U.S. Bureau of the Census, along with state revenue officials, was particularly noteworthy, and very much appreciated.

Frank H. Bailey
Executive Director
Council of State Governments